

**Public Comment on the
Millennium Challenge Account Selection Process from the
Women's Edge Coalition
Working Group on Women and the Millennium Challenge Account**

The following comments reflect the work of the Women's Edge Coalition Working Group on Women and the Millennium Challenge Account (MCA) that is co-chaired by the Center on Health and Gender Equity (CHANGE) and the Women's Edge Coalition. The Women's Edge Coalition is comprised of more than 40 organizations. Members of this working group also participate in the InterAction coalition working group on the MCA and support the comments submitted by InterAction.

One of the clearest lessons from the past three decades is that development interventions must be designed to build on the different roles that women and men play in societies. When this is not done, women are unlikely to benefit equitably, and as a result, the impact of development efforts is minimized. Since the multiple burdens of poverty affect women more than men, development interventions will not be effective unless they reach women as well as men. In fact, development interventions that target women often create the greatest positive impact for society as a whole.

When the differences between men's and women's roles are understood and development reaches women, development dollars go further. One World Bank report found that gender inequality in education and employment suppresses Africa's annual per capita growth by almost one percent. And beyond direct economic impacts, women's increased access to education, health care, and human rights brings a "virtuous" cycle of enhanced child health, improved food production, lower population growth rates, higher incomes, and, of course, better quality of life for women and their entire families.

Eligibility Criteria

Strengthening Investing in People

The Women's Edge Coalition MCA Working Group recommends that the MCC add two additional indicators to the "Investing in People" basket. Countries' commitment to investing in people is as important as its commitment to good governance and economic freedom. Yet the "Investing in People" category includes only four indicators whereas the other policy categories are comprised of six. Having fewer criteria under "Investing in People" sends a misleading signal to candidate countries about U.S. government priorities for poverty reduction and economic growth. In addition, with fewer numbers of indicators in a category, each indicator carries greater weight, making it more difficult to qualify. The MCC should also consider adding girls'-to-boys' primary enrollment ratio as an indicator for the future, as well as expanding this category beyond health and education.

Change in Indicators

The Women's Edge Coalition MCA Working Group commends the MCC for including girls' primary completion rates among its FY 2005 indicators for determining country eligibility. Research and experience show that in general, practices that improve girls' participation in school will benefit boys as well, but the reverse is not true; therefore, creating an incentive for countries to invest in girls is an important strategy for education of all children. Further, having an indicator that specifically addresses girls sends an important signal to countries about the importance of investing in women and girls overall. Finally, the returns on investing in girls' education are well-documented, including higher wages for women, lower infant mortality rates and malnutrition rates, which makes girls' education a critical strategy for poverty reduction and economic growth.

Announcement of Women's Health Indicator

Similarly, the Women's Edge Coalition MCA Working Group welcomes the announcement that the MCC is considering adding the percentage of births attended by a skilled attendant to the eligibility criteria for FY06.

Ensuring that women have access to a skilled birth attendant helps promote their access to basic, sanitary obstetric care, which is crucial to reducing both maternal mortality and maternal morbidity. Benefits from this health care investment include improved personal and societal health, reduced poverty, and economic growth. Further, the delivery of essential maternal health care is a measure of a health system's ability and efforts to provide adequate care for women, who, despite their economic and societal contributions, often are not a priority in national decision-making.

The proposed skilled birth attendant indicator meets the seven standards laid out in the *Report on Criteria and Methodology* that the MCC is using to evaluate new criteria. The Women's Edge Coalition MCA Working Group urges the MCC to adopt this indicator as soon as possible.

Gender Integration in Ruling Justly and Encouraging Economic Freedom

If the MCC is committed to creating incentives for countries' to invest in policies essential to effective development, then gender must be clearly integrated into the governance and economic policies as well as countries' health and education policies. Because women and men have different roles in society, economic and governance policies impact them differently. Currently, none of the indicators for "ruling justly" or "encouraging economic freedom" specifically address how governments are investing in women's rights, political participation and economic opportunity. The Women's Edge Coalition MCA Working Group encourages the MCC to add gender-sensitive indicators to these categories as well to signal to countries the importance of ensuring that both women and men can actively participate in civic and economic life.

The MCC has announced that it will be reviewing the trade indicator. The Women's Edge Coalition MCA Working Group urges the MCC to adopt a trade indicator that evaluates the welfare and distributional effects of trade openness on the poor in developing countries. This is important to ensure that trade liberalization is contributing to poverty alleviation in developing countries as well as to uncover any geographic or gender disparities in the gains that poor people are receiving from trade liberalization.

The Women's Edge Coalition Working Group also encourages the MCC Board to use the Department of State Human Rights Reports as supplemental data for the "Ruling Justly" and "Encouraging Economic Freedom" categories, as mentioned in *the Report on Criteria and Methodology*. The Human Rights Reports provide qualitative information about women's status and rights, including information about educational discrimination and women's property rights in candidate countries. Given the well-documented connection between women's status and economic growth and poverty reduction, it is especially important for the MCC to use all available resources in assessing candidate countries' policies towards women as well as men.

Providing Technical Assistance for Improved Data

We also encourage the MCC to take advantage of the \$5 million provided by Congress to improve the collection of data relevant to the country selection process, including expanded and improved sex-disaggregated data. This support can make a dramatic difference in countries that miss qualifying for the MCA by one indicator because of missing data. Therefore, the Women's Edge Coalition MCA Working Group strongly urges the MCC to channel available funding to the governments or established nongovernmental organizations in these countries so that they can better compete for MCA funds in the future.

Effective Implementation of the MCC

Finally, while examining MCA-eligible countries' commitment to bettering the lives of women is essential to ensuring that MCC interventions benefit women as well as men, this is but a first step to integrating gender into the MCA. Systemic integration of gender requires the following:

- *Evaluating the role of women's civil society groups in the consultation process:* as it performs its due diligence review of the process countries have undertaken to develop their proposals, the MCC must assess whether women's organizations have been meaningfully included in the process and how that input is reflected in the overall compact design.
- *Proposal evaluation:* the MCC must, as part of its technical review of proposals, conduct gender analysis to ensure that proposed projects and overall development strategies have addressed the differences in roles, resources, barriers and opportunities for both women and men. This analysis

should be reflected not only in countries' determinations of priorities and identification of intended beneficiaries, but also in program design.

- *Compact monitoring and evaluation:* in addition to tracking the impacts of MCA projects on poverty reduction, the MCC must make a concerted effort to ensure that countries' interventions benefit women. Specifically, the MCC must ensure that monitoring and evaluation strategies use indicators to measure if and how projects are reaching both women and men, whether both are being included in local decision-making processes, and how both are contributing to the implementation of projects. To effectively monitor MCA programs' impacts on both women and men, countries will need to have baseline data that is disaggregated by sex, and countries must continue to collect this data throughout the life of the project. The MCC should be prepared to support countries in gathering or analyzing such data if needed.
- *Continued eligibility monitoring:* According to the MCA's authorizing law, MCA assistance may be suspended to any country that "has engaged in a pattern of actions inconsistent with the criteria used to determine the eligibility of the country or entity." It therefore appears that the MCC also must use information about women's rights and status, such as that information contained in Department of State Human Rights Reports, to monitor policy improvements in MCA-funded countries.

Finally, successful integration of gender requires leadership from the highest level of an organization, senior level accountability within the organization, technical expertise on staff, and integration of gender into all systems and structures. The Women's Edge Coalition Working Group strongly encourages the MCC to build on the best practices that are currently available for organizations to integrate gender, such as InterAction's Gender Audit, to ensure effective programs from the outset.

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